

## **Delaware 1115 Demonstration**

### **Fact Sheet**

**Name of Section 1115 Demonstration:** Delaware Pharmacy Assistance Program

**Date Proposal Submitted:** December 31, 2002

**Date Proposal Approved:**

**To Be Implemented:** Approximately July 1, 2003

#### **SUMMARY**

This demonstration is a statewide program that provides a prescription drug benefit to elderly and disabled adults below 200% of the Federal Poverty Level or with prescription expenses exceeding 40% of income.

#### **ELIGIBILITY**

The following groups are eligible for prescription drug services under this demonstration program:

- Aged individuals who are 65 or older, regardless of Medicare status, with incomes of 200% of the Federal Poverty Level or below
- Disabled individuals with incomes of 200% of the Federal Poverty Level or below who are between the ages of 19 and 64 and are currently Medicare beneficiaries or who currently receive Social Security Disability Insurance (SSDI) and are in a 24-month waiting period for Medicare
- Aged or disabled individuals with income over 200% of the Federal Poverty Level who have prescriptions that exceed 40% of countable income

There will be no asset test related to eligibility for the demonstration program.

#### **BENEFIT PACKAGE**

The benefit package under this demonstration will be the same as in the Medicaid State Plan for non-demonstration enrollees.

#### **PHARMACY BENEFIT MANAGEMENT**

This demonstration will use the following pharmacy benefit management tools:

- Pharmacy Benefit Manager – The state will contract with EDS to conduct outreach, manage the application process, determine eligibility, and pay the prescription drug claims submitted from participating pharmacies
- Prior Authorization – The prior authorization program under this demonstration will be the same as that which is currently used in the state Medicaid program

- Step Therapy – A prescription pattern based on the state of illness, step therapy utilizes the drug believed to be the most cost-effective first, followed by more expensive therapies
- Retrospective DUR to prevent duplicate therapies
- Prospective DUR to prevent over utilization (early refills)

#### **COORDINATION WITH OTHER SOURCES OF PHARMACY COVERAGE – PRIVATE, STATE AND MEDICARE PLUS CHOICE PROGRAMS**

- Third Party Liability will not be collected in this demonstration because individuals with other pharmacy coverage are excluded
- Coordination with other sources of coverage is not part of this demonstration because the program eligibility criteria will ensure that eligible applicants do not have another form of prescription insurance

#### **PRIMARY CARE COVERAGE AND RELATED MEDICAL MANAGEMENT**

- Demonstration enrollees who have a source of coverage for primary care will continue to depend upon their family physician for primary health care services
- Demonstration enrollees without a source of primary care coverage will be connected to primary sources for care in the community

#### **COST-SHARING**

- Participants will pay the greater of \$5 or 25% of the cost per prescription
- Cost-sharing amounts will increase as individuals use more services
- There will be a \$2,500 annual limit on the prescription benefit

#### **DELIVERY SYSTEM**

This demonstration will deliver services on a fee-for-service basis using the same network of providers that deliver comparable services to Medicaid beneficiaries.

#### **CONTACT**

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